

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Orluck Industries Inc

Enterprise Minnesota

Orluck Industries Boosts Profit Through Lean Implementation

Client Profile:

Orluck Industries provides precision machining prototypes and custom products for large OEM's throughout the country. The family-owned company employs 19 people at its facility in Elk River, Minnesota.

Situation:

Orluck Industries has always provided quality services to its customers in prototyping, tooling, and semi conductors, but recently the company was looking to secure new contracts in the medical and aerospace industries. Knowing that higher quality, cost-per-parts, and on-time delivery is imperative, the company needed to increase its level of commitment to continuous improvement, a decision further confirmed when Orluck Industries signed a six-year contract with a tier-1 supplier to Boeing. The company contacted Enterprise Minnesota, a NIST MEP network affiliate, for help.

Solution:

Enterprise Minnesota began working with Orluck Industries on a Lean implementation plan. First, a business process review identified efficiency failures and opportunities for improvements. The company then moved on to Value Stream Mapping (VSM) to identify sources of waste and develop a plan to eliminate non-valued added activities. Enterprise Minnesota worked with Orluck Industries to conduct a VSM and two Kaizen events. One Kaizen event focused specifically on the pace of machine throughput, while the other focused on standardization of work and effective communication among employees. The first Kaizen event reduced cycle time for its machines, and the second Kaizen helped improve quality of counts and made work easier for employees. With Enterprise Minnesota's assistance, Orluck Industries has identified wastes in their processes and eliminated non-value added activities. Orluck Industries is now able to meet its new and prospective customers' demands by reducing the number of times parts are handled and counted, and also achieve a 25 percent increase in profits. In addition, employees are focusing on the company's processes from start to finish and looking for new ways to improve.

Results:

* Increased profits by 25 percent.

Testimonial:

"Our biggest customer is world class in how they approach efficiency. Our company sent the results from Lean, the Value Stream Mapping, and Kaizen events. The customer really like the work we're doing and have been very impressed doing business with us."

Peter Orluck, President

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